needed to pass legislation this year. While immigration reform is making its way through Congress, we ask that the young people currently detained at the border be released from detention and allowed back into the United States. Their actions to lift up the needs of those deported should not result in detention or exclusion from the United States. In fact, their return would likely be allowed under the Senate-passed immigration bill, S. 744, which we all support.

Thank you for your leadership on behalf of DREAMers and your support of comprehensive immigration reform. We urge you to release the DREAMers detained on the U.S. border in Arizona and allow them to rejoin their families. We urge you to act with all possible speed to make this happen.

Sincerely,

LUIS V. GUTIÉRREZ,
Member of Congress.
JARED POLIS,
Member of Congress.

PERSONAL EXPLANATION

HON. MARK MEADOWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 2013

Mr. MEADOWS. Mr. Speaker, I was unable to participate in the following votes. If I had been present, I would have voted as follows:

July 30, 2013—rollcall vote 419: on agreeing to the Gallego Amendment to H.R. 2610—I would have voted "nay"; rollcall vote 420: on agreeing to the Young Amendment to H.R. 2610—I would have voted "nay"; rollcall vote 421: on agreeing to the Grayson Amendment to H.R. 2610—I would have voted "aye"; rollcall vote 422: on agreeing to the McClintock Amendment to H.R. 2610—I would have voted "aye"; rollcall vote 423: on agreeing to the First Hastings Amendment to H.R. 2610—I would have voted "nay"; rollcall vote 424: on agreeing to the Second Hastings Amendment to H.R. 2610—I would have voted "nay"; rollcall vote 425: on agreeing to the Third Hastings Amendment to H.R. 2610—I would have voted "nay".

THE INTRODUCTION OF THE DISTRICT OF COLUMBIA INCENTIVES FOR BUSINESS AND INDIVIDUAL INVESTMENT ACT

HON. ELEANOR HOLMES NORTON

OF DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 2013

Ms. NORTON. Mr. Speaker, I rise today to introduce the District of Columbia Incentives for Business and Individual Investment Act, to reauthorize the federal tax incentives for investment in economically distressed areas in the District of Columbia, commonly known as the D.C. empowerment zone, and the D.C. $5,000 first-time homebuyer tax credit, both of which expired at the end of 2011. This bill would reauthorize the tax incentives through the end of 2015, and would be retroactive for 2012 and any period in 2013 during which they remain lapsed, consistent with similar empowerment zone legislation. The empowerment zone incentives include a special capital gains rate, expanded tax-exempt bond financing, additional expensing for equipment purchases and a wage credit of up to $3,000.

The D.C. tax incentives were due to be extended with the package of temporary tax provisions that Congress regularly extends, commonly known as "tax extenders." However, the D.C. tax incentives, for the first time, were not included in the most recent tax extenders package, the American Taxpayer Relief Act (ATRA or P.L. 112–240), which was approved at the beginning of the year. This omission was possible, and we believe occurred, because the D.C. empowerment zone was separately and specially created in 1997, several years after the first, similar urban empowerment zones were created.

Although the D.C. tax incentives, as well as a small number of other expiring temporary tax provisions, were not extended in ATRA, Congress, in the same bill, recognized that the benefits of incentives for investment in economically distressed communities outweighed their costs when it extended all the other empowerment zones. This same logic has particularly strong application to the D.C. tax incentives.

The Republican Party Platform first proposed the D.C. tax incentives in 1996, a year before Congress created them. Republicans, who saw D.C. as a demonstration for what tax incentives could do to revitalize a city, wanted to make the entire District of Columbia an empowerment zone. The Republican platform stated, "We endorse proposals by the congressional Republican Leadership for dramatic reductions in federal taxes . . . within the District . . . . A Republican president will make it part of a comprehensive agenda to transform the nation's capital into a renewal community, an enterprise zone leading the way for the rest of urban America to follow." Every Republican platform since 1996 has indicated strong support for one or more of the D.C. tax incentives.

Senate and House Republicans took the lead in the creation of the D.C. tax incentives after an unprecedented financial crisis revealed the unique peril for a city required to pay for many state-like functions. They reasoned that the tax incentives would revive and sustain the District, and where they have been applicable, they have met that test. The success of the tax incentives is a vindication of the work of the cosponsors. The D.C. tax incentives were proposed by, among others, then-Senators Trent Lott (R–MS), Connie Mack (R–FL), Sam Brownback (R–KS), Spencer Abraham (R–MI), Kent Conrad (D–ND) and Joe Lieberman (D–CT), as well as by then-Representative Amo Houghton (R–NY), and have always been embraced by both Republican and Democratic Congresses and presidents.

The wisdom of the bipartisan use of modest, targeted tax incentives has been amply and visibly demonstrated in the economic resurgence in parts of the city designated as empowerment zones, including parts of downtown Washington. Effects of the empowerment zone incentives are apparent throughout the city, but among the most visible are the Penn Quarter neighborhood, which had limited residential, commercial and retail spaces and is now a popular mixed-use neighborhood, and the vibrant area around the Verizon Center, then a virtual downtown slum but now surrounded by offices, restaurants and nightlife.

Before the business tax incentives, the city found it difficult to retain, much less attract, businesses. However, one of the business tax incentives enabled the city government to issue more than $155 million in tax-exempt bonds on behalf of for-profit and non-profit entities for capital projects. For example, $15 million was issued for the construction of the International Spy Museum, which has brought the added benefit of increasing tourism.

In addition to the business tax incentives, the $5,000 homebuyer tax credit has provided invigorating nourishment to the District's badly starved residential tax base. This credit, which applied citywide, almost immediately reversed the city's alarming residential decline. According to the 2010 census, the District gained population (5.2%) for the first time since the 1950 census, with much of this increase traceable to the homebuyer tax credit. Not only did the homebuyer tax credit staunch the taxpayer exodus for the first time in decades, but with the stability that the credit initiated, other individuals and families began moving to the city. The District is attracting 1,100 residents a month, but these are mostly young, unmarried people. However, the goal of growing the residential tax base by 100,000 to ensure sustainability, set by Alice Rivlin, chair of the D.C. Financial Control Board, as well as a respectable business tax base, is far from being achieved. The city's residential tax base remains well below the Washington metropolitan region and the nation, where it trails all 50 states. In 2012, the homeownership rate in D.C. was 45%, compared to the national rate of 65.4%. D.C.'s homeownership rate was also lowest among the 75 largest Metropolitan Statistical Areas and significantly lower than in the statistical area for the Washington metropolitan region, which was 66.9%. The reauthorization of the homebuyer tax credit is essential if the District is to reach the 100,000 residents the Financial Control Board said was required for the city to sustain itself.

For all of its recent economic progress, the District remains a city without a state backstop. Recognizing this anomaly, Congress passed the National Capital Revitalization and Self-Government Improvement Act of 1997, but the city continues to operate many state-like services, such as higher education, roads and bridges, and health and human services. Furthermore, the federal government continues to impose significant revenue constraints on the District in the Home Rule Act, including a tax exemption on the federal government's use of the city's most valuable real property, a federal limit on the height of buildings in the District and a prohibition on taxing non-resident income.

Now, the city's low-income neighborhoods east of the Anacostia River and in Northeast are on the brink of developing economically, similar to the development experienced in other parts of the District such as NoMa and Capitol Riverfront. The new headquarters for the U.S. Coast Guard will open in August, the first in a complex of buildings Congress has authorized for the federally owned West Campus of the St. Elizabeths hospital. The tax incentives have demonstrated that they can revitalize the eastern half of the nation's capital. Particularly after the recent recession, the business and homebuyer tax incentives are essential for these neighborhoods to see the revival that the incentives have contributed to in downtown and near-in neighborhoods. Withdrawing these incentives, particularly after they have proven effective elsewhere in city,